

U.S. Department of Housing & Urban Development

Facilities Management News

Office of Public Housing
Diana Armstrong, Director



**U.S. Department of Housing and
Urban Development
Office of Public Housing
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First of all, thank you for your active support of our on-going Utility Allowance workshop program. Attendance and participation has been outstanding.

As you are likely already aware, the 2004 HUD Appropriations Act includes provisions to contain future Section 8 Housing Choice Voucher (HCV) program costs. These provisions place a cap on the amount of increased per unit costs that can be paid out of 2004 appropriations funds. We are expecting the issuance of detailed HUD guidance on this issue shortly. In the interim, you should be cognizant of the effect that policy decisions will have on program costs. Increasing utility allowance is one variable that could result in an increase in the per-unit cost under the HCV program. If you recently increased your utility allowances, you may want to consider a reduction in your payment standards, or other action that would offset a portion of resulting increase in your per-unit costs. I encourage you to please contact our staff directly if you have concerns in this area.

For Capital Fund program and Facilities issues please contact Margaret Sanchez, Tomas Romero, Ruben Villanueva, or Gordon Tabone, Public Housing Facilities Management Specialists for technical assistance at (210) 475-6800 extensions 2213, 2247, 2108, or 2214, respectively.

David Pohler

Notice PIH 2004-02(HA) Excess Utility Consumption Charges Permissible Under the Flat Rent Option for Checkmetered Units

This notice pertains to Public Housing units and is effective March 15, 2004.

Background: Flat rent is based on the market rent charged for comparable units in the private unassisted rental market including utilities provided by the PHA. The PHA must give families the opportunity to choose between flat rent or income-based rent, annually. If flat rent is opted, utility reimbursement or utility allowances are not provided.

Flat rents must consider and have the cost of the utilities provided by the PHA incorporated into the amount charged as flat rent. The PHA must use a reasonable method to determine the flat for the unit. A PHA must also reasonably estimate the level of utility consumption for the type of utilities provided by the PHA. While the flat rent includes an estimate of utility consumption, some PHAs are concerned about excessively consumed utilities. In this case, where a flat rent unit's utility charges exceed the reasonable consumption levels used to determine the flat rent, the PHA may charge for excess utilities if the excess consumption can be documented through check-metering. At the PHA discretion, this excess usage may be considered as flat rents are adjusted or in assessing excess utility fees against the flat rent family. PHAs are required to notify residents of this policy change.

If you have checkmetered Public Housing units, please contact Ruben Villanueva at 210 475-6800 extension 2108.

Leveraging your Capital Funds

You might have heard or read about the various methods to leverage your Capital Funds under a

many different names, i.e. Bond Pools, alternative financing, etc. At this time there are no written or for that matter, a formal ruling on this financing initiative. We can only tell you that there is a draft letter "Financing Approval Process" which describes the various steps that the PHAs will need to follow in order to get the application processed. The latest information that we are aware of is that PHAs are to send their leveraging applications to HUD Headquarters, with a copy to us, the San Antonio, HUD Field Office, Public Housing Division. We must ensure that the PHAs intentions are included and that the initiative is included and approved in the PHA Plan. Additionally, we must concur that the end result of the Capital Fund initiative and method of financing is acceptable. Bill Thorson and his staff at HUD Headquarters, are the final approval authority for the leveraging application. There is much more to come on this Capital Fund issue and we shall keep you informed as we get more program details.

Utility Allowance Workshops

The Section 8 Utility Allowance five-hour long workshop program is well underway. The workshop's objective is to cover effective methods to better manage the Section 8 Utility Allowance program. The workshop covers the rules, theory, proposed strategies, and calculations during the first two-hour portion followed with a three-hour computer lab session in the afternoon.

The collection of utility receipts process is the main program objective, since we need to validate the consumption levels for each utility category. The program starts with estimated utility consumption amounts.

Upcoming workshops are scheduled for April 6 & 15, May 4 & 20, June 8 & 24. Because of the limited number of computers in our computer lab, the maximum seating remains at 13.

Please contact me in order to secure a training slot. R. Villanueva, 210 475-6800, ext 2108.

Exigent Health & Safety (EH&S)

Some of your Public Housing developments may have a physical inspection by REAC this year. The reporting requirement for Exigent Health & Safety (EH&S) deficiencies is unchanged at this time. You will be given a copy of the EH&S deficiencies, if any, by the REAC Inspector at the end of the inspection. All EH&S concerns identified by the REAC Inspector and similar conditions in units not selected for inspection must be corrected or mitigated within 24 hours. You are required to provide a written confirmation of the corrections to our office in accord with the instructions outlined in the REAC notice that was given to you on the date of the inspection. The EH&S Certification must be submitted by fax, (210) 472-6816, to our office within 72 hours from the date of the inspection. If you do not have a copy of the certification, you may download the form at:

<http://www.hud.gov/offices/reac/pdf/ehswebsite.pdf>

Work orders and cover letters are not required. Please complete the form with all information before the certification is signed. Please include the development number on each project (i.e., TX59PXXXX) at the top of the form. The Corrective Action Block must state what action was taken. The date block should be the date the corrective action was completed, followed by the Work Order Number in the last block. If you have any questions about the completion of the form, or other inspection information, please telephone Dianne Kiefel at (210) 475-6800, ext 2227.

HUD Public Housing Website:

www.hud.gov/local/tx/working/localpo/pih.cfm

This is the new Local HUD Offices website for Texas Public Housing and provides the Public Housing Director's information for Fort Worth, Houston, and San Antonio, TX.

This is where you will find the current and archived copies of our Facilities Management Newsletter.

Choice Voucher Home-Ownership (CVHO) Program

Program information from participating PHAs.

PHA	Fams In	Fams PL	Construct	Notes
Bexar County	0	0	0	
Brownsville	4	5	4	
Corpus Christi	0	3	0	
Donna	0	8	0	1
McAllen	0	0	2	
Mercedes	16	5	0	2
SA - SAHA	0	31	0	3
San Benito	1	2	0	4
Taylor	9	2	0	
Travis County	2	0	0	

Legend:

Fams In = Families housed with the program

Fams PL = Fams in the pipeline or ready-to-sign

Construct = Units under Construction

Notes:

1. A Self-Help or "Sweat" program
2. Two families now self-sufficient & off the HO program – true success stories!
3. Program started with 20 vouchers; 51 families in pending pre-purchase status.
4. 18 Families are interested and buyer classes are taking place

Ruben Villanueva, 210 475-6800 ext 2108

Lead Based-Paint Information

HUD Healthy Homes and Lead Hazard Control website, has a very interesting article on - Help Yourself to a Healthy Home - Protect Your Children's Health. Please click on: www.hud.gov/offices/lead/helpyourself/index.cfm

As the article points out, lead is one of the most

serious health threats to children in and around the house. Lead can cause learning and behavior problems. It can also damage hearing and the nervous system, including the brain. Here is an astounding statistic -- Did you know that one of out every 40 American children has too much lead in their bodies. The rate of lead poisoning is even higher in cities. Dust from lead paint is the biggest threat to young children.

For more further information on lead-based paint and other related information, please visit:

<http://www.hud.gov/lea>

R. Villanueva, 210 475-6800, ext 2108

SAHA Mixed - Finance Development

The San Antonio Housing Authority recently started construction on a 210 unit multifamily development. The development is being constructed in part with funds from the HOPE VI program. SAHA was approved for approximately \$18 million dollars in funds to redevelop the old Victoria Courts site. The entire four-phased development will provide approximately 602 units of new replacement units. The first phase will be named the Refugio Place Apartments.

Tom Romero, 210 475-6800 ext 2247

San Antonio Office Breaks Ground on 2nd Elderly Project

Our San Antonio Field Office's Multifamily Program Center recently joined the Del Rio Rotary Club to celebrate the groundbreaking of Rotary Village II, a 12-unit elderly project. The new project is located next to Rotary Village I, another 41-unit project for the elderly. The new project is a result of a partnership between the local Rotary Club and the Housing Authority of the City of Del Rio.

The Rotary Club uses elderly housing as an opportunity to show their appreciation for the elderly by providing them with comfortable and safe housing, which is in high demand, given the long waiting list for apartments. Community involvement is high at the projects. Among the many services for residents are free biweekly blood pressure checks. Other services include library workers reading or telling stories in Spanish or English, beauticians providing free haircuts and manicures, and health care workers talking about preventive health measures. Free blood pressure screenings will be one of the services provided to residents. When the new Rotary Village project is completed, seniors will have a total of 53 units set aside for their housing needs

Del Rio is situated just across the Rio Grande River from Mexico. The residents are a "rainbow coalition" and despite some language differences, they have no difficulty communicating with their neighbors. Because many moved from sub-standard, multi-generational households, they truly cherish their first place of their own.



By Gretchen Parra, Multi-Family Supervisory Project Manager, 210 475-6800 ext 2368

Upcoming July News Topics:

- ❑ Homeownership Program
- ❑ Utility Allowance
- ❑ PHAS
- ❑ Procurement